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Independent Accountants' SBR System Audit Report

To the Management of
Intercommunication American Systems, Inc.:

We have examined Intercommunication American Systems, Inc.'s ("IAS" or "Completing Carrier") compliance with the following factors set forth in the Federal Communications Commission Report and Order FCC 03-235 ("the Order") released October 3, 2003, regarding the accuracy and reliability of Americatel's call tracking system pursuant to section 64.1310(a)(1) of the Code of Federal regulations, as of October 1, 2004.

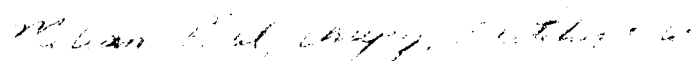
1. The Completing Carrier's procedures accurately track calls to completion.
2. The Completing Carrier, with the assistance of its clearinghouse, has a person or persons responsible for tracking, compensating, and resolving disputes concerning payphone completed calls.
3. The Completing Carrier has effective data monitoring procedures.
4. The Completing Carrier adheres to established protocols to ensure that any software, personnel or any other network changes do not adversely affect its payphone call tracking ability.
5. The Completing Carrier, with the assistance of its clearinghouse, has created a compensable payphone call file by matching detail records against payphone identifiers.
6. The Completing Carrier has procedures to incorporate call data into required reports.
7. The Completing Carrier, with the assistance of its clearinghouse, has implemented procedures and controls needed to resolve payphone compensation disputes.
8. The independent third-party auditor can test all critical controls and procedures to verify that errors are insubstantial.
9. The Completing Carrier, with the assistance of its clearinghouse, has in place adequate and effective business rules for implementing and paying payphone compensation, including rules used to: (i) identify calls originated from payphones; (ii) identify compensable payphone calls; (iii) identify incomplete or otherwise noncompensable calls; and (iv) determine the identities of the payphone service providers to which the Completing Carrier owes compensation.

Management is responsible for IAS's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about Americatel's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about IAS's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on IAS's compliance with specified requirements.

In our opinion, IAS complied, in all material respects, with the aforementioned requirements as of October 1, 2004.

This report is intended solely for the information and use of IAS and all other parties specified in the Order and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Paul Chrycy", is written over the printed name of the firm.

McKEAN, PAUL, CHRYCY, FLETCHER & CO.

March 10, 2005,
Miami, Florida.



Intercommunication American Systems, Inc.

Report of Management on Intercommunication American Systems, Inc.'s Compliance with Federal Communications Report and Order, *In the Matter of The Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, Report and Order, FCC 03-235 (released Oct. 3, 2003) (hereinafter "FCC Order").

Intercommunication American Systems, Inc.'s ("IAS") Management has reviewed the above-referenced FCC Order and has performed an analysis and evaluation of its compliance with its requirements. Based on the evaluation, Management represents that IAS is in compliance with the FCC Order's requirements, as noted below.

1. IAS has implemented procedures and policies to accurately track payphone originated calls to completion.
2. IAS has designated persons responsible for tracking, compensating and resolving disputes concerning completed payphone calls. IAS has retained the services of Billing Concepts, Inc. (also referred to herein as "Billing Concepts" or "Clearinghouse") as its clearinghouse to disburse payments on IAS's behalf. They may be reached at 210-949-7000.
3. IAS has developed data monitoring procedures to track completed payphone records from call origination through the payphone compensation process.
4. IAS has established internal protocols to ensure any software, personnel or network changes do not adversely affect IAS's ability to track payphone call records.
5. IAS has a system in place to create the payphone compensation file that it sends to its Clearinghouse by segregating CDRs according to payphone ANI info digits.
6. IAS has implemented procedures to incorporate call data into the required reports through its Clearinghouse, Billing Concepts.
7. IAS will use Billing Concepts to resolve any disputes regarding multiple ANI ownership claims. Any disputes regarding under-compensation will be resolved internally through the person that IAS has designated to handle such disputes.
8. IAS has retained the services of auditors McKean, Paul, Chrycy, Fletcher & Co., Certified Public Accountants, who have concluded their audit of IAS's compliance systems.



Intercommunication American Systems, Inc.

9. The following is a brief summary of the business rules IAS utilizes in implementing and paying Dial Around Compensation (DAC):
- a. Payphone originated calls are identified by the ANI info digit in all CDRs.
 - b. Completed calls are identified by call detail records from IAS's switch.
 - c. Incomplete calls are identified by lack of call detail records from IAS's switch.
 - d. Each month a file of all payphone originated completed calls will be sent to Billing Concepts. Billing Concepts will review the file for completeness, and hold the file until the end of the quarter. Each quarter, Billing Concepts will process the previous three (3) months' files, identify the owners, and send to IAS a funds request. Upon receipt of the funds request, IAS will wire Billing Concepts funds to pay the appropriate Payphone Service Providers ("PSPs") with machine readable reports, detailing each ANI, the 800 number dialed, the number of calls and the amount due.

Respectfully Submitted,

Eliezer Shuber, President
Intercommunication American Systems, Inc.

Date: March 10, 2005